

FUTURE CHALLENGES FOR VIRGINIA AGRICULTURE

Virginia State Feed Association Conference



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IMPACT OF AGRICULTURE & FORESTRY

- ❑ Commonwealth's Largest Two Industries
- ❑ Economic Impact: Almost \$80 Billion Annually
 - ❑ \$55b From Agriculture; \$24b From Forestry
- ❑ Provide Nearly 500k Jobs Via Production, Value-Added & Ripple Effect Industries
- ❑ More Than 10% of all VA Jobs; Every Industry Job Supports 1.5 Jobs Elsewhere

AG & FORESTRY SECRETARIAT OVERVIEW

- ❑ Long Sought; Created in 2004 under Gov. Warner
- ❑ 1st Secretary, Bob Bloxom, Served Warner & Kaine
- ❑ 2nd secretary, Todd Haymore, Serves McDonnell
- ❑ Oversees Two Agencies, One State Council
 - ❑ DOF: Protects/Develops Healthy, Sustainable Forests
 - ❑ VDACS: Promotes Economic Growth/Development of Agriculture, Provides Consumer Protection, Encourages Environmental Stewardship

VDACS OVERVIEW

- Division of Animal & Food Industry Services

 - *Animal Care, Food Safety, Laboratory Services, Meat & Poultry, Veterinary Services

- Division of Consumer Protection

 - *Weights & Measures, Pesticide Services, Plant Industry Services, Charitable Gaming, Consumer Affairs

- Division of Marketing and Development

 - *International Marketing, Commodity Services, Domestic Sales, Livestock Marketing, Ag/Forestry Development, Promotions

IMPORTANCE OF AG EXPORTS

- Exports Mean Jobs & Opportunities
- USDA Data: Exports Generate Nearly 30% of Annual Farm Cash Receipts
- Every \$1.00 From Exports Creates Another \$1.40 in Support Activities: Processing, Packaging, Financing & Shipping
- Export Related Jobs Pay Average of 15% More Than Other Jobs

VALUE OF AGRICULTURAL EXPORTS

- \$2.24B in Ag & Forest Product Exports in 2010
- Second Highest Value Ever; All-Time High in 2009
- 2011 Forecast: Match/Exceed 09/10 Levels
- 3rd Q: VA Exports Up 5% Vs. 2010 w/New Deals
- Great News, But Trade Barriers, High Commodity Prices Continue to Impact

KEYS TO VIRGINIA'S GLOBAL SUCCESS: A Diversified Portfolio of Reasons

- ❑ Strategic Mid-Atlantic Location
- ❑ World-Class Air, Land, Sea Port Facilities; Excellent Rail & Interstate System
- ❑ Business Friendly Climate; "Best for Business"
- ❑ Public Sector Recognizing Importance of Exports
- ❑ Growers/Producers Offering Product Diversity

VIRGINIA'S TOP EXPORT MARKETS: A Diversified Portfolio of Countries

- | | |
|-------------|-------------------|
| ❑ Canada | ❑ Japan |
| ❑ China | ❑ The Netherlands |
| ❑ Morocco | ❑ Germany |
| ❑ Belgium | ❑ Taiwan |
| ❑ Indonesia | ❑ Hong Kong |
| ❑ Tunisia | ❑ Vietnam |
| ❑ Turkey | ❑ Malaysia |
| ❑ Venezuela | ❑ Saudi Arabia |
| ❑ Russia | ❑ Mexico |
| ❑ Ireland | ❑ Jamaica |

VIRGINIA'S TOP AGRICULTURAL EXPORTS: A Diversified Portfolio of Products

- | | |
|---|---------------------------------|
| ❑ Soybeans | ❑ Wood Products, Logs |
| ❑ Grains (Wheat, Corn, Barley, Animal Feed) | ❑ Fats, Oils |
| ❑ Pork | ❑ Cotton |
| ❑ Poultry | ❑ Seafood, Aquaculture Products |
| ❑ Hides, Skins | ❑ Fresh Vegetables |

SUCSESSES of 2011

- Two NEW Ag Stewardship Positions in Place
- Increased PDR Funding (\$1.2 million)
- New Working Lands Variant for Easements
- New Trade Offices (India and China)

GOALS FOR 2012

- Governor's Ag and Forestry Industries Development Fund
- Increase Funding for Weights and Measures Program
- Evaluate Retail Strategies to Assist Small Producers

CONCLUSION

THANK YOU!
HAVE A GREAT CONFERENCE



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